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Consolidated Financial Results for the Year Ended March 31, 2021 [Japanese GAAP]

May 14, 2021

Company name: FUKUSHIMA GALILEI CO. LTD.
 Stock exchange listing: Tokyo
 Code number: 6420
 URL: <https://www.galilei.co.jp>
 Representative: Yutaka Fukushima, President
 Contact: Tatsuo Hino, Director and General Manager, Management Headquarters
 Phone: 06-6477-2011
 Scheduled date of Annual General Meeting of Shareholders: June 29, 2021
 Scheduled date of commencing dividend payments: June 30, 2021
 Scheduled date of filing annual securities report: June 29, 2021
 Availability of supplementary briefing material on annual financial results: No
 Schedule of annual financial results briefing session: Yes

(Amounts of less than one million yen are rounded down)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2021 (April 01, 2020 to March 31, 2021)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2021	82,451	(5.0)	8,054	(11.4)	8,651	(8.4)	6,299	1.2
March 31, 2020	86,801	0.3	9,087	(3.4)	9,446	(2.4)	6,226	(5.9)

(Note) Comprehensive income: Fiscal year ended March 31, 2021: ¥ 7,551 million [45.6%]
 Fiscal year ended March 31, 2020: ¥ 5,185 million [(10.4)%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2021	314.41	-	10.3	9.3	9.8
March 31, 2020	310.75	-	11.1	10.8	10.5

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2021: ¥ - million
 Fiscal year ended March 31, 2020: ¥ - million

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2021	96,794	64,700	66.8	3,227.05
March 31, 2020	88,318	58,111	65.7	2,897.55

(Reference) Equity: As of March 31, 2021: ¥ 64,658 million
 As of March 31, 2020: ¥ 58,056 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2021	11,142	(1,620)	(1,090)	39,575
March 31, 2020	5,140	(6,445)	(1,017)	31,259

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2020	-	0.00	-	48.00	48.00	961	15.5	1.7
March 31, 2021	-	0.00	-	53.00	53.00	1,061	16.9	1.7
Fiscal year ending								
March 31, 2022 (Forecast)	-	0.00	-	53.00	53.00		16.5	

(Note) Breakdown of the year-end dividend for the fiscal year ended March 31, 2021 :

Commemorative dividend	- yen
Special dividend	- yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022 (April 01, 2021 to March 31, 2022)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ended September 30, 2021	41,873	10.6	4,591	37.8	4,815	41.0	3,249	45.9	162.19
Full year	86,916	5.4	9,101	13.0	9,510	9.9	6,423	2.0	320.57

* Notes:

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name:)

Exclusion: - (Company name:)

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(3) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

March 31, 2021: 22,066,160 shares

March 31, 2020: 22,066,160 shares

2) Total number of treasury shares at the end of the period:

March 31, 2021: 2,029,795 shares

March 31, 2020: 2,029,667 shares

3) Average number of shares during the period:

Fiscal Year ended March 31, 2021: 20,036,422 shares

Fiscal Year ended March 31, 2020: 20,036,523 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2021 (April 01, 2020 to March 31, 2021)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2021	67,173	2.6	6,347	5.5	7,543	12.4	5,862	34.0
March 31, 2020	65,502	(0.1)	6,018	(13.7)	6,714	(13.6)	4,375	(18.7)

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2021	292.60	-
March 31, 2020	218.38	-

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
March 31, 2021	79,647	54,323	68.2	2,711.25
March 31, 2020	70,007	48,489	69.3	2,420.05

(Reference) Equity: As of March 31, 2021: ¥ 54,323 million
As of March 31, 2020: ¥ 48,489 million

Consolidated Financial Statements

Consolidated Balance Sheets

(Million yen)

	As of March 31,2020	As of March 31,2021
Assets		
Current assets		
Cash and deposits	31,696	39,918
Notes and accounts receivable - trade	19,358	17,963
Electronically recorded monetary claims - operating	2,241	2,718
Merchandise and finished goods	2,265	2,232
Work in process	1,558	1,515
Raw materials and supplies	2,031	2,250
Other	873	1,619
Allowance for doubtful accounts	(1,046)	(1,132)
Total current assets	58,978	67,085
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	8,411	8,357
Machinery, equipment and vehicles, net	1,784	1,317
Land	6,731	7,086
Other, net	1,533	861
Total property, plant and equipment	18,461	17,623
Intangible assets	416	365
Investments and other assets		
Investment securities	6,813	8,145
Deferred tax assets	382	-
Retirement benefit asset	-	180
Other	3,324	3,586
Allowance for doubtful accounts	(59)	(74)
Total investments and other assets	10,461	11,836
Total non-current assets	29,339	29,825
Total assets	88,318	96,911

(Million yen)

	As of March 31,2020	As of March 31,2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	19,656	20,835
Short-term borrowings	125	-
Income taxes payable	1,655	1,817
Provision for bonuses	1,586	1,787
Provision for product warranties	380	367
Provision for loss on construction contracts	120	87
Other	4,963	5,663
Total current liabilities	28,489	30,559
Non-current liabilities		
Deferred tax liabilities	-	64
Provision for retirement benefits for directors (and other officers)	1,034	1,160
Provision for contingent loss	238	215
Retirement benefit liability	311	116
Asset retirement obligations	120	81
Other	12	12
Total non-current liabilities	1,717	1,651
Total liabilities	30,206	32,211
Net assets		
Shareholders' equity		
Share capital	2,760	2,760
Capital surplus	3,168	3,168
Retained earnings	52,321	57,659
Treasury shares	(3,214)	(3,215)
Total shareholders' equity	55,035	60,373
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,076	4,011
Foreign currency translation adjustment	122	27
Remeasurements of defined benefit plans	(177)	246
Total accumulated other comprehensive income	3,020	4,285
Non-controlling interests	54	41
Total net assets	58,111	64,700
Total liabilities and net assets	88,318	96,911

Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31,2020	For the fiscal year ended March 31,2021
Net sales	86,801	82,451
Cost of sales	63,985	60,761
Gross profit	22,816	21,690
Selling, general and administrative expenses	13,728	13,636
Operating profit	9,087	8,054
Non-operating income		
Interest income	13	12
Dividend income	95	88
Rental income from buildings	106	107
Insurance claim income	51	32
Purchase discounts	50	70
Foreign exchange gains	-	30
Reversal of allowance for doubtful accounts	-	121
Compensation income	22	10
Other	242	223
Total non-operating income	582	696
Non-operating expenses		
Interest expenses	4	19
Compensation expenses	52	6
Foreign exchange losses	104	-
Compensation expenses for damage	23	24
Other	39	49
Total non-operating expenses	224	100
Ordinary profit	9,446	8,651
Extraordinary income		
Gain on sale of investment securities	23	-
Gain on sale of non-current assets	-	173
Compensation for expropriation	-	1,345
Total extraordinary income	23	1,519
Extraordinary losses		
Loss on valuation of investment securities	18	76
Impairment losses	52	-
Provision for contingent loss	215	-
Loss on disposal of non-current assets	-	93
Loss on liquidation of subsidiaries	-	876
Total extraordinary losses	286	1,046
Profit before income taxes	9,183	9,124
Income taxes - current	3,063	2,987
Income taxes - deferred	(93)	(153)
Total income taxes	2,969	2,833
Profit	6,214	6,290
Loss attributable to non-controlling interests	(12)	(8)
Profit attributable to owners of parent	6,226	6,299

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31,2020	For the fiscal year ended March 31,2021
Profit	6,214	6,290
Other comprehensive income		
Valuation difference on available-for-sale securities	(982)	935
Foreign currency translation adjustment	66	(98)
Remeasurements of defined benefit plans, net of tax	(113)	423
Total other comprehensive income	(1,028)	1,260
Comprehensive income	5,185	7,551
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,187	7,563
Comprehensive income attributable to non-controlling interests	(2)	(12)

Consolidated Statements of Changes in Net Assets

For the fiscal year ended March 31,2020

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,760	3,168	47,057	(3,214)	49,771
Changes during period					
Dividends of surplus			(961)		(961)
Profit attributable to owners of parent			6,226		6,226
Purchase of treasury shares				(0)	(0)
Net changes in items other than shareholders' equity					
Total changes during period	-	-	5,264	(0)	5,264
Balance at end of period	2,760	3,168	52,321	(3,214)	55,035

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	4,058	65	(64)	4,059	56	53,887
Changes during period						
Dividends of surplus						(961)
Profit attributable to owners of parent						6,226
Purchase of treasury shares						(0)
Net changes in items other than shareholders' equity	(982)	56	(113)	(1,038)	(2)	(1,040)
Total changes during period	(982)	56	(113)	(1,038)	(2)	4,223
Balance at end of period	3,076	122	(177)	3,020	54	58,111

For the fiscal year ended March 31,2021

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,760	3,168	52,321	(3,214)	55,035
Changes during period					
Dividends of surplus			(961)		(961)
Profit attributable to owners of parent			6,299		6,299
Purchase of treasury shares				(0)	(0)
Net changes in items other than shareholders' equity					
Total changes during period	-	-	5,337	(0)	5,337
Balance at end of period	2,760	3,168	57,659	(3,215)	60,373

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	3,076	122	(177)	3,020	54	58,111
Changes during period						
Dividends of surplus						(961)
Profit attributable to owners of parent						6,299
Purchase of treasury shares						(0)
Net changes in items other than shareholders' equity	935	(95)	423	1,264	(12)	1,251
Total changes during period	935	(95)	423	1,264	(12)	6,588
Balance at end of period	4,011	27	246	4,285	41	64,700

Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31,2020	For the fiscal year ended March 31,2021
Cash flows from operating activities		
Profit before income taxes	9,183	9,124
Depreciation	1,269	1,628
Increase (decrease) in allowance for doubtful accounts	(41)	101
Increase (decrease) in provision for bonuses	(138)	200
Increase (decrease) in provision for product warranties	9	(13)
Increase (decrease) in provision for loss on construction contracts	(66)	(32)
Increase (decrease) in retirement benefit liability	108	239
Increase (decrease) in provision for retirement benefits for directors (and other officers)	112	126
Increase (decrease) in provision for contingent loss	(11)	(22)
Interest and dividend income	(109)	(100)
Foreign exchange losses (gains)	121	68
Loss (gain) on valuation of investment securities	18	76
Loss (gain) on sale of investment securities	(23)	-
Interest expenses	4	19
Loss (gain) on sale of property, plant and equipment	(0)	(173)
Loss on disposal of fixed assets	3	93
Impairment losses	52	-
Loss on liquidation of subsidiaries	-	876
Compensation for expropriation	-	(1,345)
Decrease (increase) in trade receivables	(1,520)	1,053
Decrease (increase) in inventories	582	(257)
Increase (decrease) in trade payables	(1,366)	1,327
Other, net	(114)	339
Subtotal	8,073	13,327
Interest and dividends received	109	99
Interest paid	(11)	(34)
Proceeds from compensation for expropriation	-	746
Other paid	-	(177)
Income taxes paid	(3,029)	(2,785)
Net cash provided by (used in) operating activities	5,140	11,176

(Million yen)

	For the fiscal year ended March 31,2020	For the fiscal year ended March 31,2021
Cash flows from investing activities		
Payments into time deposits	(632)	(232)
Proceeds from withdrawal of time deposits	647	101
Purchase of property, plant and equipment	(5,924)	(1,573)
Proceeds from sale of property, plant and equipment	1	266
Purchase of intangible assets	(107)	(103)
Purchase of investment securities	(299)	(62)
Proceeds from sale of investment securities	29	-
Loan advances	(159)	(47)
Purchase of membership	-	(4)
Payments for investments in capital	-	(1)
Net cash provided by (used in) investing activities	(6,445)	(1,654)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(54)	(127)
Purchase of treasury shares	(0)	(0)
Repayments of finance lease obligations	(1)	(0)
Dividends paid	(960)	(962)
Net cash provided by (used in) financing activities	(1,017)	(1,090)
Effect of exchange rate change on cash and cash equivalents	(88)	(114)
Net increase (decrease) in cash and cash equivalents	(2,409)	8,316
Cash and cash equivalents at beginning of period	33,669	31,259
Cash and cash equivalents at end of period	31,259	39,575